



2019 Community Development Block Grant
Economic Development Infrastructure Financing Program

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2019 COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)
ECONOMIC DEVELOPMENT INFRASTRUCTURE FINANCING (EDIF)

APPLICATION GUIDE

INTRODUCTION

The purpose of this Application Guide is to provide guidance in preparing an application for Community Development Block Grant (CDBG) Economic Development Infrastructure Financing (EDIF) assistance. Complete information is required in order for the Oklahoma Department of Commerce/Community Development (ODOC/CD) to make an analysis of requests for funding.

The CDBG Program is authorized under Title I of the Housing and Community Development Act of 1974, as **amended**. **Oklahoma's CDBG program is administered by** ODOC and is designed to provide infrastructure financing to eligible units of local government for the benefit of new or expanding industries. Eligible units of local government sponsor applications for public infrastructure financing on behalf of private businesses that will create jobs resulting from the improvements. A CDBG award is in the form of a grant. The unit of local government is responsible for ensuring that the proposed project meets the funding criteria, and all applicable state and federal rules and regulations.

NATIONAL OBJECTIVE

The national objective of this program is ***"the development of viable urban communities by providing decent housing and a suitable living environment and expanding economic opportunities principally for persons of low and moderate income (LMI)"***. The State program will achieve this national objective by funding projects that primarily create jobs for LMI persons, defined as multi- or single-person households having incomes equal to or less than 80% of the county median income. Income levels are defined by the U.S. Department of Housing and Urban Development (HUD) under the provisions of 24 CFR Part 813 for the Section 8 Housing Assistance payment programs (refer to Appendix A for income ranges).

ELIGIBLE ENTITIES

Eligible applicants are units of local government (incorporated towns, cities, and counties) that are not HUD participants in the CDBG Entitlement Program. **Oklahoma's** entitlement cities are Edmond, Enid, Lawton, Midwest City, Moore, Norman, Oklahoma City, Shawnee, and Tulsa as well as the units of local government participating in the CDBG Urban County Designation for Tulsa County which consists of the following:

City of Bixby
City of Broken Arrow

City of Jenks
City of Owasso

Town of Skiatook
Town of Sperry

City of Collinsville
City of Glenpool

City of Sand Springs
City of Sapulpa

Unincorporated Tulsa County

An eligible applicant should also be the unit of government having jurisdiction over the maintenance and operation of the proposed activities, and owning the infrastructure improvements.

FINANCING OPTION:

The amount requested should be the minimum amount necessary to make the project feasible. Project cost estimates should be as accurate as possible due to limited resources.

Business Expansions and Targeted Industries

- **Targeted towards assisting Oklahoma existing companies' expansion efforts.**
- Targeted industry group (i.e., alternative energy, agribusiness, aerospace, defense, or other advanced manufacturing), with the new jobs being Quality Job Eligible in terms of health insurance (as long as the company has a plan to meet the National Objective of benefit to low and moderate income persons).
- Maximum Grant Amount is \$1,000,000 based upon jobs and leverage.

USES OF FUNDS

CDBG funds can only be provided where the applicant owns, maintains, and operates the improvements. Typical uses of funds include, but are not limited, to the following:

- Acquisition of real property for public ownership and maintenance;
- Acquisition of public facilities for public ownership and maintenance (except for buildings used for the general conduct of government);
- Construction of public facilities;
- Installation of public facilities;
- Reconstruction of publicly owned and maintained industrial buildings or structures and other industrial real property;
- Rehabilitation of publicly owned and maintained industrial buildings or structures and other industrial real property;
- Publicly owned Fiber Optic lines; and
- Reasonable cost of activity delivery cost up to a maximum of \$15,000.

If acquisition of real property is proposed as a part of the project, federal acquisition and relocation requirements become applicable. This in turn may impact proposed project costs.

INELIGIBLE USES OF FUNDS

Inappropriate uses of CDBG funds include, but are not limited to, the following activities:

- Relocating economic activity from one Oklahoma community to another when CDBG funds are the primary motivation factor;
- Refinancing existing debt;
- Financing a loan pool or projects based on speculation (a specific business creating new jobs is required);
- Using CDBG funds as a subsidy or substitution for other financing that may be reasonably assumed available;
- Funding infrastructure improvements that are not directly related to the industry being assisted;
- Financing a project in which the CDBG assistance is NOT the determining factor for project completion;
- Financing a project in which the projections for permanent job creation represent an unreasonable expectation;
- Application for CDBG-EDIF funds will not be considered if project construction has commenced prior to application submittal.
- Using CDBG funds for bad debts, contingencies, contributions and donations, entertainment, fines and penalties, government expenses, interest and other financial costs, legislative expenses, and under recovery of costs under other grant agreements; or
- **Financing a project before committing any prior project's accumulated program income.** Program income is defined as gross income that is received by either a recipient or sub-recipient and has been directly generated from the use of CDBG funds.
- Beginning construction of the project before the CDBG funds are awarded.
- Reimbursement of CDBG funds is an ineligible use of funds.
- Funding is not for the benefit of retail, private prisons, or educational institutions.
- Start-up Businesses will not be considered unless the company has cash capitalization **of at least 25% of the company's project cost.**
- A company can be the beneficiary of only one CDBG-EDIF project at a time. All projected jobs must be created and the project must be closed out before a company can benefit from another CDBG-EDIF project.

If you have any questions or concerns regarding an ineligible use of the funds, ODOC encourages you to contact the personnel identified in the Technical Assistance section of this guide.

TECHNICAL ASSISTANCE

Technical Assistance regarding project concepts, eligible projects, application guidelines, and other information pertaining to the CDBG Program is available upon request and encouraged. Questions may be directed to Karen Adair, 1-800-879-6552 extension 5363 or 405-815-5363. Email address: Karen.Adair@okcommerce.gov

SAM.Gov Debarred / Exclusion Check Requirement

The System for Award Management (SAM) is an official website of the U.S. government. You must have an active registration in SAM to do business with the Federal Government. There is no cost to use SAM. The General Services Administration (GSA) is required by the Federal Acquisition Regulation (FAR) to compile and maintain a list of parties debarred, suspended, or disqualified by federal agencies in SAM.gov. Units of **General Local Government (UGLG's), contractors as well as recipients of** federal financial assistance must be registered at SAM.gov. Active registration in SAM is required to apply for an award and for HUD to make a payment. ODOC is required by **HUD to check UGLG grantees' debarment/exclusion status in the federal SAM database** and place a record on file. You can use this site for FREE to:

- Register to do business with the U.S. government
- Update or renew your entity registration
- Check status of an entity registration
- Search for entity registration and exclusion records

Per the SAM User Guide, the No Active Exclusions field on the SAM Entity summary indicates whether the entity has a current debarment. SAM.gov will check the exclusions list for the DUNS number of your entity and indicate whether any exclusion records exist. If an active exclusion record exists for your entity, this question will **default to "Yes," meaning that the contractor is debarred. No Record Found means that** the entity is not registered or has let its registration lapse. The entity should ensure that the email address is current in SAM.gov so that when automated reminders are sent to renew registration each year that this reminder does not go into spam due to an obsolete email address.

How do I start a SAM registration? If you have not yet started your registration, please create an individual user account and log into SAM to register your entity. To register in SAM, at a minimum, you will need the following information:

U.S. REGISTRANTS:

1. Your DUNS Number, Legal Business Name, and Physical Address from your Dun & Bradstreet (D&B) record. If you don't already have one, you can request a DUNS Number for FREE from Dun & Bradstreet (D&B).
2. Your Taxpayer Identification Number (TIN) and Taxpayer Name associated with your TIN. Review your tax documents from the IRS (such as a 1099 or W-2 form) to find your Taxpayer Name.
3. Your bank's routing number, your bank account number, and your bank account type, i.e. checking or savings, to set up Electronic Funds Transfer (EFT).

If you already started your registration, check your status by entering your DUNS Number or CAGE Code in the SAM Status Tracker. You will be required to upload the PDF copy provided which the check which shows that the UGLG is NOT excluded into OKGrants.

SAM.Gov Website Exclusion Check –

NOTE: CONDUCT A PUBLIC SEARCH. DO NOT LOG INTO SAM.Gov. This will ensure that the information is available for PUBLIC review. Choose “Search Records” and then use “Quick Search” Enter the UGLG’s nine digit DUNS number in the “DUNS Number Search” field. Select the “SEARCH” button the bottom of the page.

QUICK SEARCH:	ADVANCED SEARCH:
<input type="text" value="Enter your specific search term"/> (Example of search term includes the entity's name, etc.)	Use specific criteria in multiple categories to structure your search.
DUNS Number Search: <input type="text" value="123456789"/>	ADVANCED SEARCH - ENTITY
CAGE Code Search: <input type="text" value="Enter CAGE code ONLY"/>	ADVANCED SEARCH - EXCLUSION
SEARCH Need Help?	DISASTER RESPONSE REGISTRY SEARCH

Save a copy of the search by selecting the “Save PDF” button at the top of the box. This will provide the electronic PDF file copy needed to be uploaded into the CDBG application in OKGrants.

TOTAL RECORDS: 1		Save PDF	Export Results	Print
Result page 1 of 1		Sort by Modified Date	Order by Descending	
FILTER RESULTS		Your search returned the following results...		
By Record Status <input checked="" type="checkbox"/> Active <input type="checkbox"/> Inactive		<div><div>Entity</div><div>Seminole, County Of</div><div>Status: Active +</div><div>DUNS: 085541225 CAGE Code: 7WDM5 View Details</div><div>Has Active Exclusion?: No DoDAAC:</div><div>Expiration Date: 06/13/2018 Debt Subject to Offset? No</div><div>Purpose of Registration: Federal Assistance</div><div>Awards Only</div></div>		
By Record Type <input checked="" type="checkbox"/> Entity Registration <input checked="" type="checkbox"/> Exclusion				
Apply Filters				
Result page 1 of 1		Save PDF	Export Results	Print

What is the new login process for SAM.gov?

The first time you log in to SAM.gov after June 29, 2018, you'll be asked to create a login.gov user account (if you don't already have one). Going forward, you will use your login.gov username and password every time you log in to SAM.gov. Your current SAM.gov username and password will no longer work.

Login.gov is a service that offers secure and private online access to government programs, such as federal benefits, services, and applications. With a login.gov account, you can sign into multiple government websites (including SAM.gov) with the same username and password.

If you already have a login.gov account check the email address associated with it. If your current login.gov account matches the email address associated with your SAM.gov account, you are ready for the new login process. Otherwise, you will need to create a new login.gov account the first time you log in to SAM.gov after June 29, 2018.

Why do I need my current SAM.gov user account email address?

If you use any other email address to create your account at login.gov other than the one associated with your SAM.gov account, your SAM.gov roles will need to be reassigned. This could cause delays in updating your existing registrations.

How do I find the email address for my SAM.gov user account?

- **If you don't know which email is associated with your SAM.gov user account**, contact the supporting Federal Service Desk at www.fsd.gov, or by telephone at [866-606-8220](tel:866-606-8220) (toll free) Monday through Friday from 8 a.m. to 8 p.m. (ET), for FREE assistance.

What do I need to create my Login.gov user account?

Through SAM.gov, create a login.gov account (if you don't already have one). Your old SAM.gov username and password won't work anymore. You'll need to:

- Create a login.gov **account if you don't have one**. You only need to do this once.
- If you have a login.gov account, check the email address. - If you already have a login.gov account, the associated email address must match the email address associated with your SAM.gov account **in order to migrate your roles. If the email addresses don't match, you'll need to create a new login.gov account.**
- **If you don't have a login.gov account**, enter an email address. **Use the same email address you use for SAM.gov. If you don't** currently have a SAM.gov account (are a brand new user, for example), you may use any email address you have access to.
- Create a new password.
- Pick how you want to receive security codes. You need a working phone number (mobile or landline) or an authentication app (installed on your mobile or on your computer). Login.gov will use your phone or your authentication app to send you a one-time security code for authentication.

How do I sign into SAM.gov after I create my Login.gov account?

Every time you select “Log In” on SAM.gov, you'll go to the login.gov sign-in page. You need to enter your login.gov email address, password, and the one-time security code that you receive. You can tell login.gov to remember your browser which stores your security code for 30 days.

Why did SAM.gov make these user account changes?

- To further increase security and deter fraud, SAM.gov is partnering with login.gov to implement multi-factor authentication for registered SAM.gov users.

Does this change impact public users who do not log in to SAM.gov?

- No. There is no change for users who search and view public data on SAM.gov without logging in to the system.

Can I get help for this new login process?

- Yes. SAM.gov has additional instructions, the Federal Service Desk will be available to support, and you can go to login.gov to [learn more about creating an account](#).

Alleged Fraudulent Activity in SAM

The GSA has taken action to address alleged fraudulent activity in the System for Award Management (SAM). The measures GSA already put in place to help prevent improper activity in SAM include masking specific data elements in the entity registration even for **authorized entity users; requiring “parent” approval of new registrations for their “child” entities**; and requiring the formal appointment of the Entity Administrator by original, signed notarized letter.

Additional enhanced controls have been deployed. These controls include implementing multi-factor authentication using login.gov and notifying Entity Administrators when **there is a change in the entity’s bank account information**.

NOTARIZED LETTER PROCESS CHANGES

How has the notarized letter review process changed?

All non-Federal entities who create or update their registration in SAM.gov will no longer need to have an approved Entity Administrator notarized letter on file before their registration is activated.

- *Hint:* This applies to you if your SAM.gov Purpose of Registration is either Federal Assistance or All Awards. Check SAM.gov to find your Purpose of Registration.
- All non-Federal entities still must mail the original, signed copy of the notarized letter to the Federal Service Desk.

Where can I find the notarized letter templates?

Read the [instructions for domestic entities](#) posted at the Federal Service Desk.

Where do I send the notarized letter?

You must mail the original, notarized letter to:

FEDERAL SERVICE DESK
ATTN: SAM.GOV REGISTRATION PROCESSING
460 INDUSTRIAL BLVD
LONDON, KY 40741-7285

RISK ASSESSMENT

ODOC/CD performs monitoring of the CDBG-EDIF projects. Not every project will be monitored on site. Desk monitoring may be utilized for projects that are low risk or when the Grantee has an exemplary management history.

ODOC/CD has developed a monitoring strategy that targets a sampling of projects or activities. This sampling is based on risk factors associated with various types of projects and/or Grant Recipients. While every project receives some level of monitoring, priority for in-depth evaluation and review is given to projects that are:

1. Multi-jurisdictional, i.e., involving more than one unit of local government;
2. Involve some level of risk, as evidenced by:
 - a. Lack of recent history in administering a CDBG project;
 - b. Evidence of numerous accounting or financial tracking errors on current or previous projects;
 - c. A record of serious findings or sanctions in previous monitoring session;
 - d. High turnover of administrative staff;
 - e. Delays in submitting required reports;
 - f. Prior violations;
 - g. Failure to attend and participate in implementation workshops;
 - h. Excessive tardiness in responding to prior monitoring findings.
3. By definition, economic development projects are considered high risk.

In addition, CDBG-EDIF subrecipients must meet certain threshold requirements listed in the CDBG-EDIF application guidance. These threshold requirements assist ODOC/CD to assess risk and to award funds to those potential subrecipients with the best administrative and financial capacity to manage grants.

THRESHOLD REQUIREMENTS

The following minimum requirements must be met before an application will be reviewed:

1. At least 51% of the jobs to be created will be held by or made available to persons who qualify as LMI persons.
2. Proof that citizen participation requirements have been met, as evidenced by an application phase public hearing, and creation and adoption of a written Citizen Participation Plan (*Sample Attachment A and B*)
3. One (1) new dollar from other sources must be committed as financial leverage for every CDBG-EDIF dollar requested. Financial leverage is defined as new money, recently contributed to the project for the express purpose of implementing the proposed project. *Financial Leverage must be committed and in place with supporting documentation at the time of application submittal.* The source of the new money may be cash or other valuable consideration, e.g., land, bank loans, proceeds from the sale of stocks or bonds or loans from other public agencies. *Private and public investments that do not qualify as financial leverage are existing net worth, existing debt, future operating expenses, and inventory. Additionally, In-Kind Leverage is ineligible.*

Written copies of promissory notes, leases, loan and security agreements, bank statements, and other evidence of receipt of funds will be required to document financial leverage.

4. At least one (1) permanent job will be created for every \$35,000 of CDBG funds requested. Lower costs per job ratios are encouraged.
5. The average wage for all new jobs must be at least 110% of the Average County Wage (ACW). If the project does not meet the 110% ACW, the following three criteria may be considered:
 - Established Company – in business for at least 10 years.
 - County unemployment is higher than the state average.
 - Wages are no lower than the ACW.
6. The proposed use of CDBG funds must be allowable, allocable, reasonable, and appropriate. These criteria are defined as follows:

Allowable Costs must be necessary and reasonable for proper and efficient administration of the CDBG program. The costs may not be a general expense required to carry out the overall responsibilities of State, local or federally recognized Indian tribal governments. The costs must be authorized or not prohibited under State or local laws or regulations and must conform to any limitations or exclusions set forth in Federal laws, or other governing limitations as to the types or amounts of cost items. The costs must be consistent with policies, regulations, and procedures that apply uniformly to both federally assisted and other activities of the unit of government of which the Grantee is a part. The costs must be accorded consistent treatment through application of generally accepted accounting principles appropriate to the circumstances. The costs must not be allocable to or included as a cost of any other financed program in either the current or a prior period and must be net of all applicable credits.

Allocable Costs are any costs allocable to a particular grant or cost objective under the principles provided for in the OMB Circular A-87. These costs may not be shifted to other Federal grant programs to overcome fund deficiencies, avoid restrictions imposed by law or grant agreements or for other reasons.

Reasonable and Appropriate projects are those activities that show a clear link between the desired infrastructure improvement activities and the creation of permanent jobs. The reasonableness of proposed project costs is reasonable and consistent with third party fair market prices for that activity.

7. All Towns and cities (Counties are exempt) must submit a copy of the FY 2018 audit or most recent audit or the agreed upon procedures *(OK Grants-On Line Completion Only)*

If the city or town receives less than \$25,000 in annual revenues from its normal business the city or town cannot apply directly to ODOC. The city or town can apply only by having the local County apply on their behalf, if the County chooses to do so. Nothing contained herein mandates a County to act as an accommodating party. Any applications by a County to act as an accommodation for a city or town that does not have \$25,000 in annual revenues from its normal business, will not count **against the County's open contract maximum.**

8. Applicants must provide responses to all application form questions and satisfy all documentation requirements delineated in this guide.

ODOC shall have sole discretion in the determination of the acceptability of the **applicant's application and adherence to the threshold criteria.** *Failure to meet the Threshold Requirements will result in the rejection of the application.*

EVALUATION CRITERIA

Projects will be evaluated and a funding decision reached as expeditiously as possible. However, project evaluation will depend on the applicant satisfactorily completing the application and all information requested by ODOC.

Economic Development projects may be approved where a Community Development project is in existence. Funds cannot be used to relocate economic activity from one Oklahoma community to another when CDBG funds are the primary motivation factor. Applicant will be asked to justify request when relocation is an issue. Eligible entities are strongly encouraged to apply only for the minimum financing necessary to make the project a reality. *Projects must have other new leverage dollars in place or currently applied for.*

Applications meeting the aforementioned requirements shall be evaluated based upon the following criterion. The state will review and underwrite applications to determine if, and to what extent, the criterion are met. Each application will stand on its own, and **the strengths or weaknesses of the applicant's claim will be evaluated. A determination** will be made by ODOC as to the likelihood or reasonableness of the claims made by the applicant becoming a reality. The criterion are prioritized according to relative importance to the State.

EVALUATION CRITERIA POINT SYSTEM

In the event that the funding levels reach 75% expended, the Evaluation Criteria Point System will be the determining funding tool of CDBG-EDIF requests. All projects (currently under review and any new applications received) at this point, who meet Eligibility, Threshold and Completeness review will be funded based on the highest points achieved on the Evaluation Criteria Point System until the CDBG-EDIF funds are exhausted. Once funds are exhausted, all applications not funded will be returned to the applicant.

EVALUATION CRITERIA FOR CDBG-ED – BUSINESS EXPANSION

Business Expansions (60 Points Maximum)

Leverage

1:1	0 points
2:1	1 points
3:1	2 points

Each whole number increase is worth one point to a maximum of 10 points.

Leverage does not include in-kind contributions, and ratios are rounded down.

New job benefits:

Does the company provide Quality Job minimum level of health insurance for all full time positions?

Yes	5 points
No	0 points

Average wages of the new jobs compared to average county wage (ACW):

County name: _____ Average County Wage _____

Average wages 110% of ACW 0 points

Average wages _____ of ACW 5 points

Average wages _____ of ACW 10 points

Each 5% increase is worth one point to a maximum of 10 points. Percentages are rounded down.

Job threshold:

- Small community population <5,000 people; > than 5 jobs 5 points
- Community of 5,000 – 10,000 people; > than 10 jobs 5 points
- Medium community population 10,000 – 40,000 people:
> than 25 jobs 5 points
- Large community > 40,000 people: > than 50 jobs 5 points

Company information:

Is the company a manufacturing company?

Yes	5 points
No	0 points

How long has the company been in existence in Oklahoma?

2 – 0 years	0 points	12- 9 years	3 points	>18 years	10 points
5 – 3 years	1 points	15-13 years	4 points		
8 – 6 years	2 points	18-16 years	5 points		

Project location:

Is the project located in an enterprise zone?

Yes	5 points
No	0 points

Regional project:

How many units of local government involvement does the project include?

One unit	0 points
Two units	5 points
Three units	10 points

EVALUATION CRITERIA FOR CDBG-ED – TARGETED INDUSTRIES

Targeted Industries (55 Points Maximum)

Leverage

1:1 0 points

2:1 1 points

3:1 2 points

Each whole number increase is worth one point to a maximum of 10 points.

Leverage does not include in-kind contributions, and ratios are rounded down.

New job benefits:

Does the company provide Quality Job minimum level of health insurance for all full time positions?

Yes 5 points

No 0 points

Average wages of the new jobs compared to average county wage (ACW):

County name: _____ Average County Wage _____

Average wages 110% of ACW 0 points

Average wages _____ of ACW 5 points

Average wages _____ of ACW 10 points

Each 5% increase is worth one point to a maximum of 10 points. Percentages are rounded down.

Job threshold:

• Small community population <5,000 people; > than 5 jobs 5 points

• Community of 5,000 – 10,000 people; > than 10 jobs 5 points

• Medium community population 10,000 – 40,000 people:
> than 25 jobs 5 points

• Large community > 40,000 people: > than 50 jobs 5 points

Company information:

Is the company a manufacturing company?

Yes 5 points

No 0 points

Is the company within an industry targeted by ODOC?

Yes 5 points

No 0 points

Project location:

Is the project located in an enterprise zone?

Yes 5 points

No 0 points

Regional project:

How many units of local government involvement does the project include?

One unit 0 points

Two units 5 points

Three units 10 points

APPLICATION REQUIRED DOCUMENTATION

All applications for CDBG-EDIF assistance must include the following required documentation:

1. Application Summary *(OKGrants – Online Completion Only)*

This form must be completed with the chief elected official of the applicant, the chief executive officer of the business, and the packager information prior to submission.

2. Project Description *(OKGrants – Online Completion Only)*

3. Detailed Line Item Budget *(OKGrants – Online Completion Only)*

Itemize all sources and uses of funds and provide the requested information on the second page of the form. The proposed activities should be as specific as possible as they will provide the basis of your contract and project budget should you receive funding. Additionally, as referenced in (24 CFR 570.201-204) and (CPD Notice 13-07), costs incurred as a direct result of implementing and executing eligible CDBG **activities are known as "Activity Delivery Costs". These costs are directly attributable** to an eligible CDBG project activity. The maximum amount of CDBG funds that may be used for Activity Delivery Costs is \$15,000.

4. Proposed Staffing Plan *(OKGrants – Online Completion Only)*

- Only Full-Time Equivalent (FTE) permanent jobs may be considered. FTE is defined as follows:

Part-time and seasonal employment positions should be converted to percentages of a full-time equivalency utilizing 1,600 total hours per year. The following conversion formula is to be used when calculating FTE.

$$\frac{\text{hrs per year}}{1600 \text{ total hours per year}} = \text{Full-Time Equivalency}$$

Example: $\frac{1,200 \text{ hrs per year}}{1600 \text{ total hours per year}} = 0.75 \text{ Full-Time Equivalency}$

Projects that benefit more than one (1) business must provide a Staffing Plan for each business.

5. Audit *(OKGrants – Online Completion Only)*

All Towns and Cities (Counties are exempt) must submit a copy of their FY 2018 Audit or their most recent audit or the Agreed Upon Procedures.

An audit is required to be uploaded as part of the application process. However, the audit may be submitted via postal mail to:

Oklahoma Department of Commerce
Administrative Services
Attn: Sharmin Rahman
900 N. Stiles Ave.
Oklahoma City, OK 73104-3234

General audit inquiries and questions regarding audit submissions should be directed to Sharmin Rahman at the following:

**Sharmin Rahman: 800-879-6552 ext 5313 or 405-815-5312;
Sharmin.rahmin@okcommerce.gov**

6. Consultant Form *(OKGrants – Online Completion Only)*
7. Citizen Participation Plan Requirements *(Attachment A - Upload Form to OKGrants)*

All applicants, prior to making application for CDBG assistance, must complete and document the following requirements: (1) create and adopt a Written Citizen Participation Plan, and (2) hold an application phase public hearing regarding the CDBG Program. Citizen Participation Plans are to be adopted first followed by the public hearing held in accordance with the adopted plan.

Citizen Participation Plans must be officially adopted and followed throughout the life of a project. Re-stating the Citizen Participation Plan outline requirements does not constitute a valid plan. Applicants must clearly state the actions they will undertake to meet the requirements of a Written Citizen Participation Plan. Sample Citizen Participation Plans are available through ODOC/CD. Applicants may use prior years Citizen Participation Plans provided that the previously adopted plan has been reviewed and updated as needed to adequately support the proposed project. See Attachment A for a sample Citizen Participation Plan.

Acceptable documentation of the application phase Public Hearing must be **Uploaded to OKGrants** with the application and consists of the following:

- a. Affidavit of publication
- b. Official posting announcing where and when the hearing is to be held listing of the posting locations (posting is an acceptable method of advertising only where it is the standard method used by a unit of local government to provide notice of official meetings, or a copy of the newspaper article announcing the public hearing)
- c. Public hearing sign-in sheet

ODOC/CD recommends that no less than seven (7) working days be given as advance notice of the application phase Public Hearing or any subsequent public meetings held for the purpose of discussing project activities as they relate to the Community Development grant funds.

Elements of the Citizen Participation Plan

All written Citizen Participation Plans must explain how an Applicant unit of local government will:

1. Provide for and encourage citizen participation, particularly by low and moderate income persons who reside in areas where CDBG funds are proposed to be used.
2. Ensure citizens will be given reasonable and timely access to local meetings, **information and records relating to the unit of local government's** proposed and actual use of the CDBG funds; including, but not limited to, the following:
 - The amount of CDBG funds expected to be made available for the current fiscal year if the project is approved;
 - The range of activities that may be undertaken with CDBG funds;
 - The estimated amount of CDBG funds proposed to be used for activities that will meet the National Objective of benefit to low and moderate income persons;
 - The proposed CDBG activities likely to result in displacement and the sponsoring unit of local **government's anti-displacement** and relocation plans developed in accordance with Section 104(d)(1) and (2) of the Act; and
 - The basis on which the sponsoring unit of local government may provide **technical assistance to groups' representative of persons** of low and moderate income that request assistance in developing proposals. The level and type of assistance to be provided is at the discretion of the sponsoring unit of local government. Such assistance need not include providing funds to such groups.
3. Provide for a minimum of two (2) public hearings; one prior to submission of the application for funding of the project that favors the purpose of obtaining **citizens' views and formulating or responding to proposals and questions; the** other at the end of the grant period if the Applicant receives funding that discusses Grantee performance. There must be reasonable notice of the public hearings. ODOC recommends no less than seven (7) working days. The public hearings must be held at times and locations convenient to potential or actual beneficiaries, with accommodations for the handicapped.
4. Meet the needs of non-English speaking residents in the case of public hearings where a significant number of non-English speaking residents can reasonably be expected to participate.

5. Provide citizens with reasonable advance notice (ODOC suggests no less than seven (7) working days), and the opportunity to comment on proposed **activities not previously described in a unit of local government's funding** request and activities which are proposed to be deleted or substantially changed in terms of purpose, scope, location or beneficiaries. Substantially changed means changes made in terms of purpose, scope, location or beneficiaries.
 6. Provide the place, phone numbers, and times where and when citizens are able to communicate when submitting written complaints and grievances and the process the unit of local government will use to provide for a timely written answer to written complaints and grievances (within fifteen (15) working days where practicable).
 7. After the written Citizen Participation Plan has been adopted, the application phase public hearing must be held. The hearing shall discuss, at a minimum, the following items:
 - a. Community and economic development and housing needs;
 - b. CDBG Program purpose, i.e., meeting the National Objective by creating jobs primarily for families defined as LMI.
 - c. The development of proposed activities.
 8. The Citizen Participation Plan is required to be signed and dated by the Chief Elected Official. The Citizen Participation Plan also requires a Town/City/County seal or it must be notarized in lieu of the seal.
8. Notice of Public Hearing Sample (*Attachment B-Upload Form to OKGrants*)
9. Application Resolution (*Attachment C-Upload Form to OKGrants*)
Applications must include a resolution passed by the current governing body requesting that particular assistance. The Resolution is required to be uploaded as part of the application process. A sample resolution is provided in Attachment C of the application. *The Resolution is required to be signed and dated by the chief elected official. The Resolution also requires a Town/City/County seal or it must be notarized in lieu of the seal.*
10. Section 102 Disclosure & Certification (*Attachment D-Upload Form to OKGrants*)
This statement must be completed if the minimum requirements of the disclosure are met and certified by the interested parties as set forth in the disclosure.

11. Profit and Loss Balance Sheet (*Attachment E-Upload Form to OKGrants*)
Financial Information from the Benefiting Business(es)

If the Benefiting Business(es) has been in operation for at least three (3) years and has three (3) complete years of historical statements, then the business will submit Attachment E, signed by the president of the business. If the business receives a score of seven (7) or more based on financial underwriting criteria, it will be assumed that there is a reasonable likelihood that the projected jobs will be created. If the business receives a score of less than seven (7), the business will have the opportunity to submit additional documentation and information to support its claim of the new jobs being created.

If the business(es) has been in operation for less than three (3) years, then the following information is required. From the following requested items, the reviewer shall be able to conclude that the business has a reasonable likelihood of achieving the projected job creation goals. *The following information must be Uploaded in the OK Grants System in the Upload Section:*

Benefiting Business' Business Plan

At a minimum, the Business Plan must consist of the benefiting business' financial condition and a marketing, management, and business operation's analysis. A thorough analysis will be used as an indication of the business' preparedness and potential for the new jobs to be created. The required financial documentation is as follows:

- Interim Balance Sheets and Profit and Loss Statements dated not more than sixty (60) days from the date of the application
- Pro Forma Balance Sheet, Profit and Loss Statement, and Cash Flow Analysis for the next three (3) years, in the following format (identify, in detail, the underlying assumptions used in preparing the projections):
 - First year, month-by-month with year-end totals
 - Years two and three, quarterly, with year-end totals
- Inventory Cycle Statement
- Payroll Cycle Statement
- Break-Even Analysis
- Copies of Lease Agreements if the company is renting office space, plant space, or equipment. Copies of leases or proposed leases on a building or equipment.
- Sales Assurances

If an existing business is being purchased, additional information will be required. Please contact our offices for a listing of needed additional information.

Benefiting Multiple Business Disclosures

Each business that directly benefits from the proposed activity(ies) will be required to submit the documents listed in *Section I- Application Requirements and Section II Benefiting Business Requirements* of this guide. Each business will also be subject to providing quarterly job reports to the applicant.

- 12.SAM.gov Exclusion/Debarment Verification (*Attachment F-Upload Form to OKGrants*)
- 13.W-9 Form & Instructions (*Attachment G-Upload Form to OKGrants*)
- 14.Low and Moderate Income Definitions (*Attachment H*)
- 15.Metropolitan Statistical Area (*Attachment I*)
- 16.HUD Income Limits (*Attachment J*)

APPLICATION SUBMISSION

ODOC/CD accepts economic development applications throughout the year. Application guidelines are updated annually by the April 1st New Funding Year. **Applications must be submitted online at the following OKGrants web address: <https://grants.ok.gov>.** There are no specific application deadlines. However, ODOC/CD reserves the right to suspend taking applications at any time without notice. Projects will be evaluated and a decision reached as expeditiously as possible depending upon the satisfactory completion of the application. Projects will be funded in order of submission of complete applications. Documents other than those specified in this guide may be requested at the discretion of ODOC/CD. ODOC/CD also reserves the right to negotiate with the applicant to realign or change proposed project budgets in an application to determine which activities CDBG funds are to be spent on, and special conditions related to contract award.